

# **EXHIBIT 3**

## **Part 1 of 4**

ENDORSED

FILED

DEC - 6 2011

DAVID H. YAMASAKI

Chief Executive Officer/Clerk  
Superior Court of CA County of Santa ClaraBY R. Schwartz DEPUTY

ASHWIN K. ANAND (SBN# 264694)  
ashwin@rajpatent.com  
RAJ V. ABHYANKER (SBN# 233284)  
raj@rajpatent.com  
RAJ ABHYANKER, P.C.  
1580 W. El Camino Real, Suite 13  
Mountain View, CA 94040  
Telephone: (650) 965-8731  
Facsimile: (650) 989-2131

Attorneys for Plaintiff,  
Raj V. Abhyanker

## SUPERIOR COURT OF THE STATE OF CALIFORNIA

## COUNTY OF SANTA CLARA

## UNLIMITED JURISDICTION

RAJ VASANT ABHYANKER,

Plaintiff,

v.

BENCHMARK CAPITAL PARTNERS  
VII, L.P., a Delaware limited partnership;  
BENCHMARK CAPITAL  
MANAGEMENT CO. VII LLC, a  
Delaware limited liability company;  
NEXTDOOR.COM, INC., a Delaware  
corporation; KEVIN R. HARVEY; PETER  
FENTON; MITCH LASKY; J. WILLIAM  
GURLEY; BRET TAYLOR; MICHAEL  
CASSIDY; REID G. HOFFMAN;  
PRAKASH JANAKIRAMAN; NIRAV N.  
TOLIA; SARAH LEARY; JAMES  
NORRIS; and DOES 1-100,

Defendants

CASE NO. 111CV212924  
HON. PETER KIRWAN  
DEPT. 8

## FIRST AMENDED COMPLAINT

- (1) MISAPPROPRIATION OF TRADE SECRETS  
(CAL.CIV.CODE § 3426 *ET SEQ.*);
- (2) FRAUD AND CONSPIRACY TO DEFRAUD;
- (3) CONSTRUCTIVE FRAUD AND AIDING AND  
ABETTING CONSTRUCTIVE FRAUD;
- (4) NEGLIGENCE INTERFERENCE WITH EXISTING  
AND PROSPECTIVE ECONOMIC ADVANTAGE;
- (5) BREACH OF CONFIDENCE;
- (6) BREACH OF CONTRACT;
- (7) BREACH OF IMPLIED COVENANT OF GOOD  
FAITH AND FAIR DEALING;
- (8) NEGLIGENCE MISREPRESENTATION;
- (9) TORTIOUS INTERFERENCE WITH CONTRACT;
- (10) UNJUST ENRICHMENT;
- (11) UNFAIR COMPETITION UNDER BUSINESS  
AND PROFESSIONS CODE (CAL.CIV.CODE §  
17200 *ET SEQ.*);
- (12) VIOLATIONS OF THE CALIFORNIA  
CORPORATE SECURITIES LAWS; AND
- (13) CONVERSION

JURY TRIAL DEMANDED

1 Plaintiff Raj Vasant Abhyanker, by his attorneys, alleges as follows on information and  
 2 belief, except as to those allegations pertaining to his own knowledge and conduct, which are  
 3 made on personal knowledge:

#### 4 JURISDICTION AND VENUE

5 1. Jurisdiction is proper in this Court because the Superior Court is a court of general  
 6 jurisdiction and because Plaintiff seeks both damages and equitable relief.

7 2. Venue is proper in this Court because Defendants maintain their principal place of  
 8 business in the County of Santa Clara, and regularly conduct business in this county. All  
 9 Defendants are residents of Northern California, and either reside in this county or at all times  
 10 herein, conducted the acts complained of herein in the County of Santa Clara. Plaintiff at all  
 11 times complained of herein was and is a resident of the County of Santa Clara.

#### 12 THE PARTIES

##### 13 PLAINTIFF

14 3. Plaintiff Raj V. Abhyanker ("Plaintiff") is a resident of Cupertino, California.  
 15 Plaintiff is the founder of Center'd Corporation, Inc. ("Center'd"), which was originally named  
 16 Fatdoor, Inc. He served as the Chief Executive Officer ("CEO") of Fatdoor, Inc. from the  
 17 inception of the company on October 25, 2006 until August 31, 2007. Plaintiff is the inventor of  
 18 forty six (46) United States patent applications filed around a concept called Nextdoor/Fatdoor,  
 19 now owned by Google, Inc. At the time of the wrongful acts by Defendants, Plaintiff owned four  
 20 million (4,000,000) shares of Center'd's common stock, constituting approximately twenty five  
 21 percent (25%) of outstanding equity which was fully vested until being restricted after Series B  
 22 financing, because of the wrongful acts of the Defendants.

##### 23 DEFENDANTS

24 4. Upon information and belief, Defendant Benchmark Capital Partner VII, L.P. is a  
 25 Delaware limited partnership Benchmark Capital and Defendant Benchmark Management Co.  
 26 VII LLC is a Delaware limited liability company. Both these Defendants will be collectively  
 27 referred to as "Defendant Benchmark and/or Benchmark" in this First Amended Complaint.  
 28 Defendant Benchmark is located in San Mateo County at 2480 Sand Hill Road, Suite 200, Menlo



1 Park, California, 94025 and conducts business in the County of San Clara.

2 5. Upon information and belief, Defendant Nextdoor.com, Inc. is a Delaware  
3 corporation formed initially as Round Two, Inc. on or about December 4, 2007. Round Two, Inc.  
4 changed names to Fanbase, Inc. on or around September 2, 2009. Then, on or about March 29,  
5 2011, Fanbase, Inc. changed names again to Nextdoor.com, Inc. The corporate entity remained  
6 the same during each of the name changes. Defendant Nextdoor.com, Inc. ("Nextdoor.com, Inc.")  
7 is located at 110 Sutter Street, Suite 700, San Francisco, California, 94104 and does business in  
8 the County of Santa Clara.

9 6. Upon information and belief, Defendant Kevin R. Harvey ("Harvey") is a resident  
10 of Los Gatos, California. Defendant Harvey is a General Partner of Benchmark Capital Partners  
11 VII, L.P., and an equity holder in Benchmark Capital Management Co. VII LLC., and through the  
12 fund, an equity holder of Nextdoor.com, Inc.

13 7. Upon information and belief, Defendant Peter Fenton ("Fenton") is a resident of  
14 San Francisco, California. Fenton is a General Partner of Benchmark Capital Partners VII, L.P.,  
15 and an equity holder in Benchmark Capital Management Co. VII LLC., and through the fund, an  
16 equity holder of Nextdoor.com, Inc.

17 8. Upon information and belief, Defendant Mitch Lasky ("Lasky") is a resident of the  
18 County of Santa Clara, California. Lasky is a General Partner of Benchmark Capital Partners  
19 VII, L.P., and an equity holder in Benchmark Capital Management Co. VII LLC., and through the  
20 fund an equity holder of Nextdoor.com, Inc.

21 9. Upon information and belief, Defendant J. William Gurley ("Gurley") is a resident  
22 of Portola Valley, California. Gurley is a General Partner of Benchmark Capital Partners VII,  
23 L.P., and an equity holder in Benchmark Capital Management Co. VII LLC. Gurley is also a  
24 Director of Nextdoor.com, Inc.

25 10. Upon information and belief, Defendant Bret Taylor ("Taylor") is a resident of Los  
26 Gatos, California. Taylor is the Chief Technology Officer of Facebook, Inc. and was a former  
27 Entrepreneur-In-Residence ("EIR") at Benchmark Capital Partners VII, L.P.

28 11. Upon information and belief, Defendant Michael Cassidy ("Cassidy") is a resident

1 of the County of Santa Clara, California and was a former EIR at Defendant Benchmark.

2 12. Upon information and belief, Defendant Reid G. Hoffman ("Hoffman") is a  
3 resident of Los Altos, California. Hoffman is an internet entrepreneur and the Founder of  
4 LinkedIn Corporation. Hoffman previously performed due diligence for Defendant Benchmark.

5 13. Upon information and belief, Defendant Prakash Janakiraman ("Janakiraman") is a  
6 resident of San Francisco, California. Janakiraman is the Co-Founder and Vice President of  
7 Engineering at Nextdoor.com, Inc. and was a former employee of Google, Inc.

8 14. Upon information and belief, Defendant Nirav Tolia ("Tolia") is a resident of San  
9 Francisco, California. Tolia is the CEO and Co-Founder of Nextdoor.com, Inc., formed on or  
10 about December 4, 2007 as Round Two, Inc. Tolia was a former EIR at Defendant Benchmark.

11 15. Upon information and belief, Defendant Sarah Leary ("Leary") is a resident of  
12 Redwood City, California. Leary is the Vice President of Marketing and the Co-Founder of  
13 Nextdoor.com, Inc., formed on or about December 4, 2007 as Round Two, Inc. Leary was a  
14 former EIR at Defendant Benchmark.

15 16. Defendant James Norris ("Norris") is a resident of Mountain View, California.  
16 Norris was a former EIR at Defendant Benchmark.

17 17. The true names and capacities of Defendants named DOES 1-100, inclusive,  
18 whether individual, corporate, associate, or otherwise, are presently unknown to Plaintiff.  
19 Plaintiff therefore sues these Defendants by these fictitious names. Plaintiff will amend his  
20 Complaint to substitute true names and capacities when they have been ascertained. Plaintiff is  
21 informed and believes, on the basis of that information and belief alleges that each of the  
22 fictitiously-named Defendants is responsible in some manner for the occurrences herein alleged.

23 18. By reason of their positions and relationships with Fatdoor, Inc. and Plaintiff  
24 including their access to non-public information concerning Fatdoor, Inc. and the timing,  
25 structure, and terms of the transaction at issue in this action, the Defendants were and are  
26 fiduciaries to the Plaintiff. In engaging in the wrongful conduct alleged herein, Defendants  
27 pursued a common course of conduct, acted in concert with each other, and conspired with one  
28 and other, in furtherance of their common plan, scheme or design. In addition, each of the



Defendants aided and abetted each other in breach of their respective fiduciary duties, as alleged herein. In aiding and abetting the other breaches of fiduciary and professional duties, the Defendants rendered substantial assistance to the other Defendants with knowledge or in reckless disregard of the breaches of duty committed by such Defendants.

### NATURE OF THE ACTION

19. Plaintiff is a former owner of the common stock and vested options to purchase common stock of Center'd (d/b/a Nextdoor.com, d/b/a Fatdoor.com, d/b/a Centerd.com, d/b/a the Dealmap.com). Center'd was purchased by Google, Inc. on or about July 29, 2011. Between October 25, 2006 and April 2, 2008, Center'd was named Fatdoor, Inc.

20. Plaintiff is a founder and former CEO of Fatdoor, Inc., a Delaware corporation formed on October 25, 2006. Plaintiff is the lead inventor on forty six (46) United States patent applications and six (6) international PCT patent applications filed by Fatdoor, Inc. relating to the Nextdoor/Fatdoor concept and covering a wide variety of geo-spatial database, architecture, and application technologies associated with neighborhood communication and geo-spatial social networking. As of the filing of this First Amended Complaint, two of these patent applications have issued into granted United States Patents Nos. 7,966,567 and 8,064,590. In addition, at least two more patent applications related to the Nextdoor/Fatdoor concept are close to issuance, including United States published patent application numbers 11/784,137, and 11/900,364.

21. Defendants opportunistically misappropriated and stole trade secrets, business plans, unpublished confidential patent applications, knowhow, and software technologies regarding the Nextdoor/Fatdoor concept from Plaintiff and Fatdoor, Inc. through false and misleading representations and omissions of material facts concerning Defendant Benchmark's financial affairs, business operations, and prospects. Furthermore, Defendants actively interfered with the operations of Fatdoor, Inc. with respect to the Nextdoor/Fatdoor concept causing the company to abandon its plans to pursue the domain Nextdoor.com, the Nextdoor/Fatdoor business model for neighborhood social networking, and causing Plaintiff to be terminated from the company.

22. In less than six months after misappropriating confidential trade secrets, business



1 plans, unpublished confidential patent applications, knowhow, and software technologies related  
 2 to the Nextdoor/Fatdoor concept, Defendants independently formed a new corporation, Round  
 3 Two, Inc., a Delaware corporation formed on or about December 4, 2007. Round Two, Inc.  
 4 changed names to Fanbase, Inc. on or about September 2, 2009, and then to Nextdoor.com, Inc.  
 5 on or about March 29, 2011.

6 23. The nature and business of Nextdoor.com, Inc. was made public on or about  
 7 October 16, 2011 as will be described herein. The entire basis for Nextdoor.com, Inc.'s business  
 8 rests on these stolen and opportunistically misappropriated materials, some of which are now  
 9 owned by Google, Inc. through its acquisition of the Nextdoor/Fatdoor patent portfolio of  
 10 Center'd Corporation (see Exhibit H). According to an Economic Times report on or about  
 11 October 26, 2011, Defendant Benchmark funded Nextdoor.com, Inc. with between ten (10) and  
 12 fifteen (15) million dollars in equity capital from approximately between December 2007 and  
 13 October 2011.

14 24. Absent Defendants' fraudulent scheme to interfere with the business operations of  
 15 Fatdoor, Inc. following funding by a competing venture capitalist, Norwest Capital ("Norwest"),  
 16 Plaintiff would have remained gainfully employed and Fatdoor, Inc. would not have abandoned  
 17 the pursuit of its original and novel Nextdoor/Fatdoor neighborhood social networking concept  
 18 that Plaintiff invented and developed. In addition, Plaintiff's restricted shares would have  
 19 continued to mature and increase in value as Plaintiff was the Founder and the largest common  
 20 shareholder in Fatdoor, Inc., prior to the company's sale to Google, Inc.

21 25. On or about the summer of 2007, Defendants learned about the Nextdoor/Fatdoor  
 22 concept after representing to Plaintiff that they were not developing anything similar in the space,  
 23 and after clearing all conflicts of interest in writing. Due to the fraudulent and deceitful acts of  
 24 Defendants, Plaintiff lost his employment and salary with Fatdoor, Inc., along with restricted  
 25 common stock and the opportunity to build something he invented and developed.

26 26. In addition, during that same time, Defendants knowingly, purposefully,  
 27 recklessly, and negligently conspired to opportunistically steal and misappropriate confidential  
 28 trade secrets from Plaintiff with respect to the Nextdoor/Fatdoor concept to start Nextdoor.com,



1 Inc.

2 27. The Nextdoor/Fatdoor concept was originally created by Plaintiff on or about  
3 August 2005 while running for Cupertino City Council. At that time, Plaintiff was surprised by  
4 the lack of web based tools available to create walking maps of neighborhoods, and to annotate  
5 information regarding neighbors around a particular residence. Plaintiff initially developed the  
6 Nextdoor/Fatdoor concept as a mash up of maps created using MapQuest and a Wikipedia style  
7 entry page for each neighbor that he met. A conception document was first prepared on or about  
8 August 21, 2005 and clearly included the name "Nextdoor." Particularly, the document was  
9 titled: "NextDoor.com Specification Draft 1 - August 21, 2005 "Get to know your neighbors.""

10 28. The conception document contained several paragraphs including:

11 "What we are trying to create is a way to create a way for  
12 neighbors to get to know each other and their surrounding  
13 businesses more easily through the Internet. The UI of the site  
14 will have a map of your home with a social networking page pop  
15 up on the right when one clicks a particular home/location. There  
16 will be no information about prices of a home, no information  
17 about the number of bedrooms of a home, etc. People will be the  
18 focus, not the real estate."

19 29. The document was improved and modified on or about November 2006 and  
20 submitted as an attachment in the Nextdoor/Fatdoor diligence folder to Defendants Benchmark,  
21 Harvey, Fenton, Lasky, Gurley, Taylor, Cassidy and Norris on or about June 22, 2007 (see  
22 Exhibit B). The document included the following statement:

23 "Note: we don't have the domain nextdoor.com yet, ive placed a  
24 bid on it. We do have modernvillage.com, but im trying to find a  
25 better name. let me know if you find something that is better and  
26 available for sale. Should know about nextdoor.com by the end of  
27 this week." (See Exhibit B) [sic].

28 30. Plaintiff and Fatdoor, Inc. intended to purchase the Nextdoor.com domain name  
shortly after Series B funding. Plaintiff worked diligently between on or about August 21, 2005  
and June 15, 2006 to get the Nextdoor/Fatdoor website launched along with his business partner  
and assistant Babar Rana ("Rana"). During this period, Rana created screenshots and wireframes  
of the Nextdoor/Fatdoor concept using PowerPoint showing the name "Nextdoor" (see Exhibit



1 A). There were two mockup images of the Nextdoor/Fatdoor concept shared by Plaintiff with  
 2 Defendants Benchmark, Harvey, Fenton, Lasky, Gurley, Taylor, Cassidy and Norris on or about  
 3 on June 22, 2007 (see Exhibit A). The first mockup image showed a photograph of Rana, with a  
 4 personal profile wall feed from neighbors who provided comments on Rana's wall. A search area  
 5 box read "search neighborhood." The word "Nextdoor" was clearly shown in the upper, left-hand  
 6 side of the screenshot. A map was shown in the screenshot illustrating the location of Rana's  
 7 hypothetical home and images indicating which neighbors had and had not joined the  
 8 neighborhood surrounding Rana's home. (See Exhibit A). Rana worked with Plaintiff shortly  
 9 after the conception of the Nextdoor/Fatdoor concept on or about August 21, 2005 until at least  
 10 October 2007. Rana is currently a Senior Product Manager in the Localization team at Google,  
 11 Inc. as of the filing of this First Amended Complaint.

12 31. The second mockup image of the Nextdoor/Fatdoor concept prepared by Rana  
 13 between on or about August 21, 2005 and June 15, 2006, and shared with the Defendants  
 14 Benchmark, Harvey, Fenton, Lasky, Gurley, Taylor, Cassidy and Norris on or about June 22,  
 15 2007, also visibly and clearly showed the name "Nextdoor" in the upper, left-hand side of the site  
 16 as well. A message appeared on that mockup stating, "[g]et to know your neighbors." Plaintiff's  
 17 home was pictured on the map, along with photos of Plaintiff's family and next door residential  
 18 and business neighbors visible on a map.

19 32. These screenshots provided to Defendants Benchmark, Harvey, Fenton, Lasky,  
 20 Gurley, Taylor, Cassidy and Norris on or about June 22, 2007, were included as part of an  
 21 investor diligence package that very same day. The conception mockups were also included as  
 22 part of the diligence package given to Defendants Benchmark, Harvey, Fenton, Lasky, Gurley,  
 23 Taylor, Cassidy and Norris on or about Friday, June 22, 2007. In these conception mockups, the  
 24 name "Nextdoor" was clearly visible.

25 33. The name "Nextdoor" is found in at least three patent applications (an  
 26 International PCT application titled "MAP BASED NEIGHBORHOOD SEARCH AND  
 27 COMMUNITY CONTRIBUTION and filed on March 5, 2007; a provisional patent application  
 28 titled "METHOD AND APPARATUS OF A NEIGHBORHOOD EXPRESSION AND USER



1 CONTRIBUTION SYSTEM and filed on October 24, 2006; and a utility patent application (see  
 2 below) filed on November 22, 2006) filed by Fatdoor, Inc. Plaintiff is the lead inventor on these  
 3 patent applications. For example, on or about November 22, 2006, Plaintiff prepared and filed  
 4 the first utility United States Patent Application number 2007/0218900 A1 titled "MAP BASED  
 5 NEIGHBORHOOD SEARCH AND COMMUNITY CONTRIBUTION" on which the name  
 6 "Nextdoor.com" was clearly associated as the domain name intended to be used by Fatdoor, Inc.  
 7 (see page 21, col. 1, paragraph [0236] of Exhibit D) ('900 patent application). This '900 patent  
 8 application explicitly disclosed and described the Nextdoor.com domain and was private and not  
 9 published as a public document at the time of disclosure to Defendants Benchmark, Harvey,  
 10 Fenton, Lasky, Gurley, Taylor, Cassidy and Norris on or about June 22, 2007. The '900 patent  
 11 application is now a public record searchable worldwide on Google patent search and United  
 12 States Patent and Trademark Office records ("USPTO"). Particularly, in the '900 patent  
 13 application, it is written:

14 "In one embodiment, the methods and systems illustrated in  
 15 Figures 1-28 enable people to search for things they want e.g.  
 16 nearby pizzas etc. (e.g., by distance away). Advertisers can 'own'  
 17 their listing by placing a display ad on **nextdoor.com**," U.S.  
 patent application 2007/0218900 A1, (page 21, col. 1, paragraph  
 [0236]) (see Exhibit D).

18 34. The three Fatdoor, Inc. patent applications having the word "Nextdoor.com" had  
 19 not yet published as a public document at of the time of disclosure of the Nextdoor/Fatdoor  
 20 concept to Defendants Benchmark, Harvey, Fenton, Lasky, Gurley, Taylor, Cassidy and Norris.

21 35. Indeed, Plaintiff and Fatdoor, Inc. intended to purchase the Nextdoor.com  
 22 domain name shortly after Series B funding. Since the name "Nextdoor.com" was expensive to  
 23 buy, Fatdoor, Inc. used the name "Fatdoor.com" as a second preference until additional funding  
 24 could be raised after the summer of 2007 to purchase the Nextdoor.com domain. But for the  
 25 interference by the Defendants in the internal affairs of Fatdoor, Inc., the domain Nextdoor.com  
 26 would have been purchased by Plaintiff for Fatdoor, Inc. after funding. It was Plaintiff and  
 27 Fatdoor, Inc.'s intention to purchase the name Nextdoor.com, and change the name of its business  
 28



1 accordingly from Fatdoor, Inc. to Nextdoor, Inc. The Defendants opportunistically  
 2 misappropriated their confidential knowledge of this fact to illegally convince the Board of  
 3 Directors of Fatdoor, Inc. to terminate the employment of Plaintiff, and to purchase the  
 4 Nextdoor.com domain for themselves after Plaintiff was terminated.

5 36. On or about October 22, 2006, Plaintiff wrote an email to Rana and two  
 6 developers working with Plaintiff on or about the years 2006 and 2007, Mr. Sandeep Sood and  
 7 Mr. Ankur Verma, stating:

8 "Sandeep, Ankur, and Babar, Lets be careful to tell others about  
 9 NextDoor, Inc. Even though our patent app has been filed, the  
 10 name of this game will be EXECUTION and FIRST TO  
 11 MARKET. As such, the patent app will not be enough protection  
 12 for us. KEEP THIS THING UNDER THE WRAPS UNTIL  
 13 LAUNCH. Raj"

14 37. Rana, Sood, and Verma have spoken to the Plaintiff and are available to testify  
 15 consistently with their knowledge of the communications described herein. Upon information and  
 16 belief, the domain Nextdoor.com belonged to 1550507 Ontario, Inc., ("1550507 Ontario") a  
 17 company that did business as Pool.com or about the year 2006. On or about October 22, 2006,  
 18 Plaintiff sent an email to the correspondent listed for 1550507 Ontario on the Whois record for  
 19 the Nextdoor.com domain stating:

20 "Dear Webmaster, I am interested in buying this name  
 21 www.nextdoor.com. Im willing to pay \$1300 US for it. How can  
 22 I contact the seller to see if they are willing to sell it? I think the  
 23 name is registered to you per Namescout.com. The name is not  
 24 being used. A friend of mine is launching a neighborhood business  
 25 and wants to use this domain name. Let me know. Raj"

26 38. On or about October 24, 2006, a response was received from 1550507 Ontario,  
 27 stating:

28 "Thank you for your interest in the domain, www.nextdoor.com.  
 The domain is not currently for sale at this time. Thanks again,  
 webmaster@1550507.ca"

40. Then, on or about December 27, 2007, the same month that a company called Round Two, Inc. was formed in Delaware, a private, hidden bidder took over control of the Nextdoor.com domain, and moved it from Pool.com to GoDaddy.com. Upon information and belief, a website "DomainsByProxy" was used to hide the domain purchaser's name, which likely purchased it from Forsyte. The slogan on the website [www.domainsbyproxy.com](http://www.domainsbyproxy.com) states: "Your Identity is Nobody's business but ours" as of the filing of this First Amended Complaint.

42. Plaintiff contacted the seller, Watson, and spoke with him over the phone on or about November 28, 2011. Watson informed Plaintiff that he recalled receiving a number of phone calls from a venture capitalist who wished to purchase the domain Nextdoor.com as soon as he purchased it on or about March 2010. Initially, Watson had wanted hundred thousand dollars (\$100,000.00) for the domain, but later ended up selling the domain for approximately fifty eight thousand five hundred dollars (\$58,500.00) by approximately January 2011. Watson wrote to the Plaintiff on or about November 29, 2011 stating:

In a follow up email after being asked for clarification on the identity of Josh Becker, Watson responded to Plaintiff in an email that same day of November 29, 2011 stating: "Your



1 welcome. If I recall he was representing benchmark [sic] I think. I will go back and look at some  
2 emails and see if I can find it all."

3 As of the filing of this First Amended Complaint, no further information has been received by  
4 Plaintiff from Mr. Kevin Watson.

5 43. On or about January 14, 2011, the registrant was updated from Watson to  
6 Defendant Janakiraman on Steiner Street in San Francisco, California. Upon information and  
7 belief, Defendant Janakiraman is the Co-Founder of Nextdoor.com, Inc. and previously worked  
8 under Defendant Taylor at Google Maps. A VentureBeat article on or about October 26, 2011  
9 states: "[i]t cost the company \$60,000 to buy the domain name, said Tolia, but he thinks it's  
10 definitely worth it." (See: [http://venturebeat.com/2011/10/26/nextdoor-neighborhood-social-](http://venturebeat.com/2011/10/26/nextdoor-neighborhood-social-network/)  
11 [network/](http://venturebeat.com/2011/10/26/nextdoor-neighborhood-social-network/)). Shortly afterward, the registration was updated to Sutter Street in San Francisco,  
12 California. In addition, a trademark application was filed for the word "Nextdoor" on or about  
13 February 8, 2011. (See: <http://www.trademarkia.com/nextdoor-85236918.html>).

14 44. On or around December 15, 2006, Plaintiff showed the Nextdoor/Fatdoor concept  
15 to investor Jeffrey M. Drazan ("Drazan"), a client of Plaintiff's private law firm. Drazan was  
16 intrigued with the Nextdoor/Fatdoor prototype site that had been built by Plaintiff. On or about  
17 January 5, 2007, Drazan agreed to personally invest five hundred thousand dollars (\$500,000.00)  
18 in the Nextdoor/Fatdoor concept pending clearance from his limited partners. Drazan introduced  
19 Plaintiff to his friend William H. Harris, Jr. ("Harris, Jr."), the former CEO of Intuit, Inc. and  
20 PayPal that same weekend. Harris, Jr. was immediately impressed with the idea of building the  
21 Nextdoor/Fatdoor social network around the concept of getting to know your neighbors. Plaintiff  
22 met with Drazan and Harris, Jr. in Woodside, California on or about January 15, 2007, during  
23 which Drazan and Harris, Jr. gave Plaintiff a one million dollar (\$1,000,000.00) equity capital  
24 term sheet with attractive terms of fully vested stock for Plaintiff.

25 45. On or about February 1, 2007, Plaintiff independently closed a one million dollar  
26 (\$1,000,000.00) Series A round of equity financing with Drazan and Harris, Jr. for the  
27 Nextdoor/Fatdoor concept.

28 46. Plaintiff then hired Chandu Thota ("Thota"), who Plaintiff recruited from a job



Raj Abhyankar, P.C.  
Mountain View, CA  
rajpatent.com

1 post on Craigslist.com and Monster.com, as a salaried, full-time developer, Chief Technical  
2 Officer ("CTO"), and Co-Founder of Fatdoor, Inc. one month after funding closed. Thota  
3 originally applied to a Monster.com job posting made by Plaintiff on or about November 1, 2006.

4 47. Thota permanently moved from his home in Seattle to join Plaintiff as a CTO and  
5 Co-Founder on or about February 28, 2007. After Thota permanently joined, the prototype of  
6 Nextdoor/Fatdoor was quickly developed into a working product based on Plaintiff's original  
7 ideas and inventions. Plaintiff left his full time employment at his private law practice and joined  
8 as the full time CEO of Fatdoor, Inc. Per the guidelines set forth by investors, Plaintiff actively  
9 transferred existing law firm clients to other attorneys to ensure that Plaintiff could focus full time  
10 on Fatdoor, Inc. On or about January 27, 2007, Plaintiff was invited to the home of Stanford  
11 University ("Stanford") professor, Dr. Hector Garcia Molina ("Dr. Molina") for brunch, after a  
12 referral to Plaintiff from Stanford computer science professor, Dr. Andreas Paepcke ("Dr.  
13 Paepcke"). Plaintiff brought along Thota to brunch at the home of Dr. Molina. Dr. Molina is on  
14 the Board of Directors of Oracle, Inc. and was a former Chairman of the Computer Science  
15 department at Stanford. Dr. Molina was impressed by the Nextdoor/Fatdoor technology, methods  
16 of organizing database structures in a geospatial manner, and the concept around getting to know  
17 neighbors. Dr. Molina and Dr. Paepcke agreed to become strategic advisors and small investors in  
18 Fatdoor, Inc. around the Nextdoor/Fatdoor concept along with Drazan and Harris, Jr. A few  
19 months later, Stanford computer science professor Rajeev Motwani ("Motwani") also agreed to  
20 be an advisor and small investor in the Nextdoor/Fatdoor. Motwani was a former advisor to  
21 Google, Inc. founders, Sergey Brin and Larry Page.

22 48. Plaintiff is the lead inventor on an additional thirty (30) or more United States  
23 patent applications and international patent applications approximately between March 13, 2007  
24 and August 15, 2007 based around neighborhood social networking, mobile applications, and  
25 geo-spatial technologies. These patents collectively represent some of the earliest geospatial  
26 social networking and mobile patent applications ever filed.

27 49. The phrase "Get to know your neighbors" was applied for as a United States  
28 trademark on or about November 22, 2006, with United States trademark serial number



1 77049854. The class description for "Get to know your neighbors" was provided to the USPTO  
2 under serial number 77049854 as:

3 "Computer services in the nature of customized web pages  
4 featuring user-defined information, personal profiles and  
5 information, namely, providing location tagged profiles using  
6 spatial and geo-coded information through the Internet; Computer  
7 services, namely, providing a specialized search engine for finding  
8 personal, geographical and business data on a global computer  
9 network"

10 The name "Fatdoor" was applied for as a United States trademark on or about November 21,  
11 2006, with United States trademark serial number 77049286 with a similar description as "Get to  
12 know your neighbors."

13 50. The name "Fatmail" was applied for as a United States trademark on or about  
14 April 5, 2007, with United States trademark serial number 77150247. The class description for  
15 "Fatmail" was provided to the USPTO under serial number 77150247 as:

16 "Paper goods and printed material, namely, envelopes, pamphlets,  
17 coupons books and publications which promote the goods and  
18 services of others for advertising in a neighborhood geo-spatial  
19 environment"

20 Upon reason and belief, the secret technical details, software algorithms, knowhow, and then  
21 unpublished patent applications surrounding the Fatmail concept were opportunistically  
22 misappropriated and stolen by Defendants to enable the verification of neighbors permitted into  
23 the network through postal mail.

24 51. Upon information, reason, and belief, Plaintiff's Nextdoor/Fatdoor idea was very  
25 well received by major thought leaders, including Mark Pincus ("Pincus"), who wrote to Plaintiff  
26 and Fatdoor, Inc. Director Drazan on or about March 5, 2007 stating:

27 "[r]aj, your idea and background were both compelling. sorry if i  
28 barragted you with feedback before you could get the whole idea across.  
i'd def be interesting following up as i like the general macro space and  
think there are many directions you could go with it. best, mark" [sic]

52. Pincus agreed to participate in the first Nextdoor/Fatdoor private beta launch

1 approximately between March 2007 and June 2007. That same summer, Pincus independently  
 2 started the successful venture Zynga.com ("Zynga"). The affirmation by Pincus of the Plaintiff  
 3 and the Nextdoor/Fatdoor concept right before Zynga was founded was a testament to the power  
 4 and potential of the Nextdoor/Fatdoor idea and Plaintiff's ability, but for the interference,  
 5 misappropriation, and theft by Defendants, as explained herein.

6 53. Wired Magazine also covered the Nextdoor/Fatdoor concept on or about May 31,  
 7 2007 in an article entitled "Fatdoor CEO Talks About Balancing Security With Community." The  
 8 article described the general concepts of Nextdoor/Fatdoor developed by Plaintiff to account for  
 9 neighborhood security:

10 "It wasn't until Abhyanker let me take his neighborhood for a test  
 11 drive that I started to understand how this actually plays out.  
 12 Fatdoor is hardly the stalking tool we all feared. In fact, its simple  
 13 interface made Abhyanker's own community fit together more like  
 14 a wiki version of a town hall. Users in the neighborhood can  
 15 broadcast general messages to the entire block, submit an entry  
 16 about a local business, or even submit entries for friends and other  
 17 neighbors. Abhyanker's neighborhood is even set up to elect  
 18 moderators to help police this conduct too. Paired with the amount  
 19 of control the user has over how much or how little information the  
 20 neighborhood can access about themselves, it actually  
 21 seemed....pretty safe." (See Exhibit G).

22 54. In addition, the Wired Magazine article of May 31, 2007 went on to describe the  
 23 end product of the secret confidential security algorithms developed by Plaintiff to account for  
 24 neighborhood security:

25 "As far as peeking into other neighborhoods? Abhyanker has that  
 26 covered too. "We've been playing around with the distance, and  
 27 after some testing we've found that keeping it at a 5 mile radius  
 28 [from the user's residence] is the most reasonable," he said. "It  
 keeps the focus on the neighborhood and also keeps the feeling of  
 community. Of course, this is something that we're going to have  
 to change depending on the size and layout of a city, but during  
 testing it seemed like the ideal distance." (See Exhibit G).

29 Upon information and belief, the secret technical details, software algorithms, knowhow, and then  
 30 unpublished patent applications that permitted the Nextdoor/Fatdoor concept to be built were  
 stolen by Defendants and opportunistically misappropriated as 'key' (emphasis added) technology



1 for Nextdoor.com, Inc. as described in a San Jose Mercury News article. On or about of October  
 2 26, 2011, this same San Jose Mercury News article entitled "Epinions co-founder Nirav Tolia  
 3 back in the saddle with Facebook-like startup" inaccurately credited Defendant Taylor with the  
 4 invention of the Fatdoor/Nextdoor concept, describing Nextdoor.com, Inc. as, "software  
 5 developed by an early Google (GOOG) Maps employee" that is used as the "key" technology of  
 6 Nextdoor "that makes sure only people who live in a specific neighborhood are able to join its  
 7 network -- giving users a level of privacy that sites like Facebook don't." (See Exhibit H).

8 55. On or about October 27, 2011, one day after the public launch of Nextdoor.com,  
 9 Inc., Plaintiff sent an email to Defendant Tolia with the subject line: "Meet? Nextdoor, hello  
 10 from founder of Fatdoor," after seeing an article about Nextdoor.com, Inc.'s public launch on the  
 11 website Techcrunch.com ("Techcrunch"). Plaintiff was initially very happy to see that another  
 12 entrepreneur took it upon himself to independently create a very similar idea to the original  
 13 Nextdoor/Fatdoor concept of Fatdoor, Inc. and wrote the email immediately on the morning of  
 14 October 27, 2011. The entire content of this communication is below and is a present sense  
 15 impression of the Plaintiff upon reading the initial news of the Nextdoor.com concept:

16 "Nirav, I just read about you on Techcrunch. Congrats on your  
 17 new venture, Nextdoor. I am Raj Abhyanker, the founder of the  
 18 2005 company dealmap (formerly called Fatdoor, now sold to  
 19 Google) which recently sold to google. I raised over \$7.5m in  
 20 venture funding personally as the CEO of Fatdoor around the get  
 21 to know neighbors concept. I think I can add significant value to  
 22 your venture, as Fatdoor was originally a site to get to know your  
 23 neighbors. I understand the way to make this space very well. I  
 24 am wondering if you would be open to me being in your founding  
 25 team, in exchange for me filling a part time general counsel,  
 26 business development vp, and/or board role, and perhaps a small  
 27 angel investment in cash, resources, and space. I see you are  
 28 funded by benchmark. I had pitched to benchmark the Fatdoor  
 concept, but had decided to take funding from norwest. Some at  
 Benchmark will remember me, particularly Kevin Harvey and  
 Peter Fenton. I also pitched to bret taylor who was an EIR at  
 benchmark at tue time, and is now the cto of Facebook. Perhaps  
 you can ask them. After our Norwest funding, I left the company  
 because I wanted to keep the site in a neighborhood direction. I  
 am also listed on more than 50 granted and pending patents in the  
 neighborhood space, now owned by google. If interested, perhaps  
 we can meet at my office in mountain view? Let me know if this is  
 of interest. I've copied my assistant Desiree. Raj" [sic]



1 There was no response from Defendant Tolia by that evening, and surprised by the lack of  
 2 communication from Defendant Tolia, Plaintiff decided to do some research on the background  
 3 of Defendant Tolia. Upon review of Defendant Tolia's Crunchbase.com profile that evening, and  
 4 upon reading of the March 2007 and August 2007 Gawker.com articles, it became immediately  
 5 clear to Plaintiff why Defendant Tolia had chosen not to respond to Plaintiff's gesture of  
 6 congratulations and support because it was clear that Defendant Tolia worked at Defendant  
 7 Benchmark and was a former EIR during the time of the disclosure of the Nextdoor/Fatdoor  
 8 concept to Defendants Benchmark, Harvey, Fenton, Lasky, Gurley, Taylor, Cassidy and Norris.

9 56. Upon information and belief, Defendant Harvey requested a meeting to discuss,  
 10 explore and finalize the financing of Nextdoor/Fatdoor on or about June 15, 2007 after a referral  
 11 from Drazan. To celebrate the enormous shareholder value that Plaintiff and his Co-Founder  
 12 Thota had brought to Fatdoor, Inc., Board member Drazan sent Plaintiff an email on or about  
 13 June 19, 2007 with the subject line: "A premature, but well deserved congratulations and thank  
 14 you!!!" The email included the following text:

15 "Raj, Chandu.....It sometimes gets lost amid all the frenetic  
 16 activity, the significance of this interim accomplishment. After  
 17 just 3 (?) short months of working together it is more than  
 18 impressive how much value you have created on such modest  
 19 spending. Pause for a moment to reflect on what you have  
 20 produced...38 patent applications, an impressively functional  
 21 website, thousands of initial subscribers, tens if not hundreds of  
 thousands of page views, strategic interest from the most  
 sophisticated media properties and institutions in the world, world  
 class employees, candid and supportive feedback from your user  
 community, the list goes on....Thank you for all your endless hours  
 and unbridled enthusiasm. Jeff" [sic]

22 57. A meeting time was set for on or about June 21, 2007. To ensure confidentiality,  
 23 Fatdoor, Inc. Board member Drazan requested an early morning meeting on or about June 21,  
 24 2007 and requested that Defendant Benchmark clear conflicts, especially "conflicts else that is  
 25 [or] resembles what they [Fatdoor] are doing" [sic] before any disclosures were made.

26 58. Defendant Harvey, responded on or about June 21, 2007 to Drazan stating:

27 "We don't have and are not looking at anything that is a direct  
 28



competitor. Some of our companies Billow [sic] and Yelp are tangential. We will need to make sure that they are comfortable but my guess is that they are better partners than competitors."

59. A follow up email sent by Drazan to Plaintiff, Thota, and Harris, Jr. on or about June 21, 2007 stated:

"These relationships should give people at Norwest confidence that a relationship with [sic] Benchmark could be very helpful".

60. That same day, Thota, the hired CTO of Fatdoor, Inc. commented:

"Yes, Zillow could be a great partner and so is Yelp – In reality, when we expose our APIs, these two are the applications that third party developers can build on top of Fatdoor platform."

61. In detrimental reliance of statements by Defendant Harvey, Plaintiff disclosed the Fatdoor/Nextdoor concept to Defendant Harvey that same day (on or about June 21, 2007). Upon information and belief, it appears to be a pattern and practice for Defendant Benchmark to agree to non-disclosures via verbal and email "handshakes." Particularly, the book "eBoys: The First Inside Account of Venture Capitalists at Work" by Randall E. Stross, who worked inside Defendant Benchmark for two years between 1997 and 1999, describes the situation as:

"Ultimately, our agreement was sealed with a handshake-no written NDA (nondisclosure agreement), no attorneys...I suspect that the Benchmark partners thought that something ballsy like this, which was sure to make the graybeards of the guild squirm, must, ipso facto, be a good thing."

This paragraph above clearly describes the business practice of Defendant Benchmark in choosing non-traditional forms of non-disclosure agreements ("NDA") in preference to those which are signed by both parties. Similarly, a New York Times article on July 11, 1999, quotes Defendant Gurley as to the policy of Defendant Benchmark when dealing with startups: "'We don't do term sheets here," Gurley responded, offering his palm. "We do handshakes.'" (See Exhibit J).

62. On or about June 2007, Defendant Harvey sent an email to Plaintiff, requesting that he and Thota meet with Defendant Hoffman that same evening in Mountain View,

Raj Abhyankar, P.C.  
Mountain View, CA  
rajpatent.com

1 California. Defendant Harvey informed Plaintiff that Defendant Hoffman did "diligence" for  
2 companies that Defendant Benchmark was going to invest in. Defendant Benchmark had a  
3 business practice of doing the "Benchmark bear hug" (eBoys, Introduction, page xxii) to show  
4 "the power of its team sales effort" (Id.) to companies that Defendant Benchmark intended to  
5 invest in by quickly connecting entrepreneurs of companies they wanted to invest in to the top  
6 influencers in Silicon Valley.

7 63. In addition, Defendant Harvey requested a meeting with Plaintiff at Defendant  
8 Benchmark's headquarters on Sand Hill Road in Menlo Park, California on or about June 21,  
9 2007. On or about June 21, 2007, Defendant Harvey also requested that Plaintiff send  
10 confidential presentations relating to Nextdoor/Fatdoor to his partner, Defendant Lasky, who was  
11 to participate in the meeting via teleconference. Defendant Cassidy also personally participated in  
12 this meeting along with Defendant Harvey. On or about June 21, 2007, Plaintiff sent the  
13 requested confidential executive summary of the Nextdoor/Fatdoor concept to Defendants Lasky  
14 and Harvey. The title of this file was "Executive\_Summary-Fatdoor-06-11-07.pdf" ("Executive  
15 Summary"). (See Exhibit C).

16 64. Each page of this Executive Summary included the words "Confidential Material"  
17 (see Exhibit C). Page seven of the Executive Summary showed a maturing networks timeline  
18 which made clear that the next phase from Facebook was to be toward the Nextdoor/Fatdoor  
19 concept, centered around "[n]eighborhoods." Defendants opportunistically misappropriated  
20 knowledge found in this confidential Executive Summary to create the business plan for  
21 Nextdoor.com, Inc. Later statements by Defendant Gurley and Defendant Tolia echo descriptions  
22 provided in the confidential Executive Summary provided by Plaintiff to the Defendants.

23 65. The first business created by the founders of Round Two, Inc. was a website called  
24 Fanbase.com. However, Fanbase.com, while getting some traction, failed to get the rapid traction  
25 that was expected of the business by Defendant Tolia and Defendant Benchmark.

26 66. An email was sent by Defendant Gurley to Defendant Benchmark's portfolio  
27 companies including to Defendant Tolia on or about October 9, 2008 which stated:  
28



1 “Like every major shift in the environment, this one will offer  
 2 opportunities as well as risks.... The real key is to have a keen  
 3 understanding of the game on the field and to be the one that  
 4 adjusts swiftly, rather than the one that moves after it’s become  
 5 blatantly obvious to everyone else it’s time to move.” [sic]  
 6 (See Techcrunch: [http://techcrunch.com/2008/10/09/benchmark-](http://techcrunch.com/2008/10/09/benchmark-capital-advises-startups-to-serve-capital/)  
 7 capital-advises-startups-to-serve-capital/). (See Exhibit K).

8  
 9 67. This quote shows that Defendant Gurley sought to advise companies such as  
 10 Round Two, Inc. that they should adjust swiftly by adopting new business models if ones in  
 11 development (e.g., Fanbase.com) did not work.

12 68. Defendant Gurley goes on to tell Defendant Tolia and other  
 13 Benchmark portfolio companies that:

14 “Many companies that thrived post 2001-2003 were simply “Last  
 15 Man Standing” in their ndustry....Be calm, but pragmatic...It’s  
 16 simply to convey that the rules of the game have changed.....Better  
 17 to be “late to the party” than to be early and run out of money”  
 18 (See Techcrunch: [http://techcrunch.com/2008/10/09/benchmark-](http://techcrunch.com/2008/10/09/benchmark-capital-advises-startups-to-serve-capital/)  
 19 capital-advises-startups-to-serve-capital/) [sic]. (See Exhibit  
 20 K).

21 69. This quote shows that Defendant Gurley sought to advise companies to be calm  
 22 and pragmatic and that it was better to be “late to the party” with a new team such as Round Two,  
 23 Inc. than to be early with the original Fatdoor/Nextdoor concept created by the Plaintiff.

24 70. Defendant Gurley then continues onward to say:

25 For many, this downturn period could be **opportunistic**: a real  
 26 chance to differentiate yourselves from the other players in the  
 27 market. However, it is imperative to understand that the  
 28 environment has just shifted to one where differentiation will  
 likely be defined not by aggressiveness, but rather by adaptability.”  
 [sic] [emphasis added]. (See Exhibit K).

71. Through a plain reading of Defendant Gurley’s own statements above, Defendant  
 Gurley directly advised Defendant Tolia to adapt actions, decisions, etc. to expediently or  
 effectively act in manners that sacrificed ethical principles. Particularly, this quote shows that

Defendant Gurley advised or advises Defendant Tolia and other Benchmark portfolio companies to be "opportunistic," which Dictionary.com defines as "adhering to a policy of opportunism; practicing opportunism" in its first definition (see [www.websters.com](http://www.websters.com)). Dictionary.com defines "opportunism" in its first definition to mean "the policy or practice, as in politics, business, or one's personal affairs, of adapting actions, decisions, etc., to expediency or effectiveness regardless of the sacrifice of ethical principles" (Id.).

72. Upon reason and belief, Defendant Tolia, the CEO of Round Two, Inc., and a Stanford B.A. in English graduate, understood the meaning of the word "opportunistic" when pivoting his company from a website for collecting information about sports feats (Fanbase, Inc.), into an entirely new concept of a website about neighborhood social networking around the Nextdoor/Fatdoor concept opportunistically misappropriated and stolen from Plaintiff using Defendant Gurley's ordained policy and practice of adapting actions and decisions of expediency and effectiveness regardless of the sacrifice of ethical principles. (See Exhibit K). Defendant Tolia has a history of following Defendant Gurley's instructions explicitly, having had to settle a lawsuit filed in San Francisco Superior Court against Silicon Valley venture capital firms Benchmark Capital and August Capital, alleging the firms conspired with fellow founder Defendant Tolia to deprive them and other employees of nearly \$40 million. (See [http://www.siliconbeat.com/entries/2005/12/09/epinions\\_settlement\\_a\\_black\\_eye\\_to\\_vcs.html](http://www.siliconbeat.com/entries/2005/12/09/epinions_settlement_a_black_eye_to_vcs.html))

73. In a separate interview, Defendant Gurley identifies the "local" space (e.g., what the Nextdoor/Fatdoor concept inherently is) as possibly being the most overlooked space on the Internet (see Bloomberg television interview on March 22, 2011 with Defendant Gurley, <http://www.bloomberg.com/video/67905008/>, around minute 5:40, "Host: What do you think is the most overlooked sector out there? Gurley: It might be local.").

74. By September 2010 (based on Defendant Tolia's LinkedIn page), a full pivot had been made from Fanbase.com to the Nextdoor.com concept, based on the original Nextdoor/Fatdoor concept of the Plaintiff and under the advice given by Defendant Gurley to Defendant Tolia and to all Benchmark companies to be "opportunistic". (See Exhibit K).

75. Even as recently as October 26, 2011, Defendant Gurley was quoted in an article



1 in Techcrunch stating that "Nextdoor" was the "natural evolution of social networking that  
2 [would] demonstrate the value of building community to neighborhoods everywhere." In a San  
3 Jose Mercury News article that same day, Defendant Gurley was quoted referring to  
4 Nextdoor.com, Inc. as "It's Facebook for your neighborhood." (See Exhibit H). Defendant  
5 Gurley's statements echo descriptions provided in the confidential Executive Summary provided  
6 by Plaintiff to the Defendants.

7 76. In addition to receiving the confidential Executive Summary, Defendants Harvey  
8 and Lasky met with Plaintiff and learned about Nextdoor/Fatdoor concept in detail on or about  
9 June 21, 2007. Plaintiff spent several hours at Defendant Benchmark's offices disclosing the  
10 entire concept in detrimental reliance on Defendant Benchmark's written assurances of  
11 confidentiality and no conflicts.

12 77. In follow up email by Plaintiff to Drazan, Thota, and Harris, Jr. on or about June  
13 21, 2007, Plaintiff stated:

14 "jeff and bill, great meetings today with benchmark and reid.  
15 kagle loved product. reid hoffman loved product. reid wants to  
16 personally invest too. talked only about biz, referred all financing  
17 questions to jeff. reid says he knows bill already. reid says he is  
18 giving thumbs up to benchmark tonight. reid wants to get  
19 introduced to jeff. jeff, should I provide email introduction for  
20 both of you to each other? Raj" [sic]

21 78. Defendant Hoffman is referenced in this present sense impression by the Plaintiff  
22 as someone who expressed interest in both investing and in placing a positive vote in his  
23 diligence capacity to Defendant Benchmark. Defendant Hoffman was later seen with Defendants  
24 Taylor, Tolia, and Cassidy at a private party, just days before the Nextdoor.com public launch on  
25 or about October 20, 2011.

26 79. Mr. Robert (Bob) Kagle is partner at Defendant Benchmark who is referenced in  
27 this email above reflecting a present sense impression of thoughts of the Plaintiff of the positive  
28 impressions of this Benchmark partner after hearing about the Nextdoor/Fatdoor idea from  
29 Plaintiff. There were no further direct email communications between Plaintiff and Mr. Kagle,  
30 and therefore Mr. Kagle not been included in this First Amended Complaint as a Defendant.



1 Nonetheless, he is associated with this action through his partnership at Defendant Benchmark.

2 80. On or about June 22, 2007, Sergio Monsalve ("Monsalve"), a venture capitalist at  
3 Norwest who was to co-invest with Defendant Benchmark replied to an email titled "Conception  
4 Documents: Fatdoor (formerly NextDoor)" confirming receipt of the conception documents titled  
5 Nextdoor with a message stating: "Great...thanks. Please make sure this also goes to our lawyers  
6 at cooley, which I am sure it has. Thx, S"

7 81. Upon information and belief, Plaintiff and Thota then met with Defendant  
8 Hoffman on or about June 21, 2007 at the LinkedIn headquarters in Mountain View, California  
9 based on a reference from Defendant Benchmark as a person who did diligence for Defendant  
10 Benchmark. Defendant Hoffman expressed genuine interest in the Nextdoor/Fatdoor concept and  
11 said that he would not only give a positive recommendation to Defendant Benchmark, but  
12 personally invest in the venture. Defendant Hoffman then sent an email to Plaintiff and Drazen  
13 on or about June 22, 2007 stating that it was his pleasure to meet with Plaintiff to learn about  
14 Nextdoor/Fatdoor. Defendant Hoffman expressed that there was "some very good stuff in  
15 [Plaintiff's] planning/doing" to Plaintiff in the same communication.

16 82. In addition, Defendant Hoffman wrote that he would like to talk with Drazen to  
17 discuss investment details. Drazen spoke to Defendant Hoffman via telephone on or about June  
18 22, 2007. On or about June 26, 2007, Hoffman told Plaintiff and Drazen that he would like to  
19 invest hundred thousand dollars (\$100,000.00) of his personal money in addition to the  
20 investment by Defendant Benchmark. In an email on or about June 26, 2007, Drazen wrote to the  
21 Plaintiff stating: "Re: how did the call with Reid go? Went well...he wants to invest  
22 \$100k...subject to seeing the term sheet, which I told him we would provide post closing (we  
23 don't need him to close)."

24 83. Plaintiff and Thota also met with Motwani in Palo Alto, California, on or about  
25 June 26, 2007. Motwani agreed that Defendant Benchmark was a good choice for investment  
26 with Norwest and agreed to solidify the agreement with a personal reference call to Defendant  
27 Benchmark's advisor, Defendant Hoffman. Motwani also agreed to invest one hundred thousand  
28 dollars (\$100,000.00) in the new round based on his confidence in Plaintiff.



84. Plaintiff prepared full diligence files of the Nextdoor/Fatdoor concept and gave them to Defendant Fenton at Defendant Benchmark's office on or about June 22, 2007. The diligence package included all then unpublished forty six (46) United States patent applications, six (6) foreign PCT patent applications, the Executive Summary, and screenshots created by a Rana on or about the year 2006 clearly showing the name "Nextdoor." On or about June 22, 2007, Plaintiff sent an email to Fatdoor, Inc. employee Paul Zahorsky, to counsel Daniel Hansen, to Daniel Hansen's paralegal, and to California licensed attorney Sheila Maguire attaching conception documents showing the mockups and the Word document for Nextdoor.com as previously described. The conception documents showing the name "Nextdoor" were also shared electronically with Fatdoor, Inc. employees Emily McIntire and Michael Johnstone. In addition, Harris, Jr. and Thota received electronic and physical copies of the conception documents showing the name Nextdoor.com from Sheila Maguire shortly after she requested them on their behalf on or about June 22, 2007.

85. The diligence documents included the statement stating: "Note: we don't have the domain nextdoor.com yet, ive placed a bid on it. We do have modernvillage.com, but im trying to find a better name. let me know if you find something that is better and available for sale. Should know about nextdoor.com by the end of this week." (Exhibit B). [sic]

86. Defendants Harvey and Fenton described the Nextdoor/Fatdoor concept to fellow partners and EIRs at a Defendant Benchmark "offsite" approximately between June 23, 2007 and June 25, 2007. The offsite was described in an email from Defendant Harvey to the Plaintiff on June 23, 2007 in which Defendant Harvey writes:

"Raj, we are going to be offsite from today through Tuesday. We should be able to discuss this and reach a quick decision. I think the biggest question is "What is the killer use case that will drive viral adoption?" Any thoughts on this would be helpful. Overall, people were quite positive. Thanks, Kevin"

87. The Plaintiff responded to Defendant Harvey that same day and commented :

"getting to know your neighbors and making friends in the



neighborhood around your house by finding people with similar interests (preseeded data, and in the future user contributed). Raj”

88. Then, on or about June 27, 2007, right after the offsite, Defendant Harvey called Plaintiff and told Plaintiff that Defendant Benchmark will make a positive investment decision as a lead investor or as a co-investor in the Nextdoor/Fatdoor based on their discussions at the offsite and based on Defendant Hoffman’s positive recommendation. As a follow up to that call, Defendant Harvey sent an email to Plaintiff on June 27, 2007 stating: “Do you guys have time to meet our Google EIRs?” Defendant Harvey referred Plaintiff to Defendants Taylor and Norris, who were EIRs at Defendant Benchmark. Defendants Taylor and Norris were the co-creators of Google Maps and the Google Maps API, and had left their positions at Google, Inc. to join Defendant Benchmark on or about June 2007. Defendant Taylor is currently the Chief Technology Officer of Facebook, Inc. as of the filing of this First Amended Complaint.

89. Defendant Harvey assured Plaintiff that Defendants Taylor and Norris would like to help the Nextdoor/Fatdoor venture succeed, and would hold information that they obtained in strict confidence and would not start any competing ventures. In reliance of Defendant Harvey’s promises, Plaintiff informed the Board of Directors of Fatdoor, Inc., and agreed to meet with Defendants Taylor and Norris on or about June 27, 2007 at Defendant Benchmark’s headquarters on Sand Hill Road in Menlo Park, California.

90. Upon information and belief, during the meeting with Defendants Taylor and Norris, Plaintiff and Thota again asked whether Defendant Benchmark had any conflicts of interest before disclosing technical details of the Nextdoor/Fatdoor concept. Defendants Taylor and Norris replied that they were working with something in the consumer space which was totally different, and that Defendant Benchmark intended to invest in Fatdoor, Inc. to build the neighborhood concept. Plaintiff and Thota, spent most of that afternoon with Defendants Taylor and Norris based on those assurances to not compete and maintain confidentiality.

91. On or about June 27, 2007, Drazen sent an email to Plaintiff stating: “[s]poke with Kevin today..They will not provide an alternative term sheet...but would like to have 10%”. It is not a practice for Defendant Benchmark to give formal term sheets. A New York Times article



1 on July 11, 1999, stated: ""We don't do term sheets here," Gurley responded, offering his palm.  
2 "We do handshakes."" (See Exhibit J).

3 92. To Plaintiff's surprise, on or about June 29, 2007, Defendant Harvey wrote an  
4 email to Fatdoor, Inc. director Drazan stating that Defendant Benchmark would pass on the  
5 current round even though they were "really intrigued with the space." Defendant Harvey stated:

6 "This has been an extraordinarily close call but it looks like we  
7 will pass for this round. We are all really intrigued with the space  
8 but can't get comfortable enough with the "killer app." My guess is  
9 that it will be obvious soon (and we will feel sheepish) but we need  
10 to have more conviction before investing. I would like to help  
11 these guys as much as possible. Given that we are now up to speed,  
12 we could be a good quick stop for the next round here." [sic]

13 The pullout in funding by Defendant Benchmark came as a complete surprise to Plaintiff and  
14 Fatdoor, Inc.'s Board of Directors, as Defendant Benchmark had indicated throughout that they  
15 wanted to invest. On or about June 29, 2007, Defendant Harvey wrote to Plaintiff stating: "I bet  
16 that you guys will find this [killer app] quickly as we are quite impressed with your thinking on  
17 this space." In addition to Defendant Benchmark pulling out, Defendant Hoffman also withdrew  
18 his verbal commitment to invest \$100,000 in Fatdoor, Inc.

19 93. It appears to be a pattern and practice for Defendant Benchmark to agree to terms  
20 and conditions of binding contracts through non-traditional means of contract. In addition to the  
21 various examples of "handshakes" cited throughout this Complaint, Defendant Harvey "preferred  
22 [method] to seal a deal with an entrepreneur: to secure the agreement before bringing out the term  
23 sheet with all of the details" (eBoys, page 243).

24 94. In lieu of an investment by Defendant Benchmark, Fatdoor, Inc. took a smaller  
25 investment of five and a half million dollars (\$5,500,000.00) from Norwest without participation  
26 from Defendant Benchmark. The transaction closed on or about July 17, 2007. Approximately  
27 within two weeks of the closing of the second round of funding, Defendant Benchmark began an  
28 ill-conceived scheme to unfold and destroy Plaintiff and Fatdoor, Inc.'s focus around  
neighborhood social networking, so that it could opportunistically start its own company through  
the confidential information that it had learned with an entirely new set of Founders that it

1 favored. As a starting point, Defendant Benchmark sought to opportunistically interfere with the  
 2 operations of Fatdoor, Inc. and influenced Norwest and Fatdoor, Inc. to replace Plaintiff, a person  
 3 whom they knew to be the lead inventor and thought leader in the neighborhood social  
 4 networking space, as the CEO. (See Exhibit K).

5 95. Defendant Taylor wrote Plaintiff via email on July 19, 2007 stating:

6 "We are happy to be advisors. The time commitment sounds  
 7 reasonable to us, and we are interested in helping out as you  
 8 navigate all the difficult product and privacy issues. The product  
 9 has a lot of potential, and if you all can find the right product and  
 10 privacy balance, it has the potential to become the first really  
 11 successful "geo wiki... Let us know how to proceed from here.  
 12 Bret" [sic]

13 96. Norwest partner and new Fatdoor, Inc. director Monsalve expressed concerns  
 14 about the intentions of Defendants Taylor and Norris in an email sent on July 20, 2007 to the  
 15 Plaintiff wherein Monsalve wrote:

16 "Raj: Are you worried about them competing? Why would they  
 17 want to be advisors if they already have a startup they are working  
 18 on? Would they want to join full time?...that would be interesting.  
 19 Seems like you have something they want for their startup, but  
 20 may be I am missing something. Google people are well known  
 21 for picking off other's ideas so be careful. Let's talk. Sergio"

22 97. That same day, on or about July 20, 2007, Plaintiff wrote an email to Fatdoor,  
 23 Inc.'s Board of Directors including Monsalve stating:

24 "Hi Sergio, The right question, and one that I have carefully  
 25 thought through. As part of our Advisory Agreement with them,  
 26 we can draft in clauses for them to disclose to us the startup they  
 27 are building and to warrant that it is not competitive to Fatdoor.  
 28 They have told me that the startup they are building is not  
 competitive to fatdoor. We can formalize this through this  
 agreement."

98. On or about July 23, 2007, Defendant Taylor sent an email to Plaintiff responding  
 to a written Strategic Advisory offer letter prepared for Defendants Taylor and Norris stating:



1 "We will take a look at these and get back to you tomorrow with  
2 the signed copies."

3 99. The agreement was not returned signed the very next day. Instead, two days later,  
4 on or about July 25, 2007, Defendants Taylor and Norris wrote back to Plaintiff stating:

5 "Raj, I wanted our lawyer to review this, and I wasn't  
6 aware he is on vacation this week – is it possible we get this to you  
7 on Monday, or are we running up against a deadline? Bret" [sic]

8 100. On or about August 2, 2007, Defendant Taylor wrote back to Plaintiff stating:

9 "Raj, The only concern we have with the agreement is "Advisor  
10 agrees not to compete with the business of the Company and its  
11 successors and assigns during the term of this Agreement,  
12 notwithstanding the cause or reason for termination of this  
13 Agreement." [sic]

14 Defendant Taylor, who is at the time of writing was still an EIR at Defendant Benchmark, further  
15 reaffirmed that he did not have any conflicts with the information he had learned from Plaintiff.  
16 In the same email sent on or about August 2, 2007, he stated:

17 "Clearly we don't want to get into a directly competing business,  
18 or we wouldn't be doing this in the first place. However,  
19 competition is really in the eye of the beholder sometimes, and we  
20 are definitely entering the consumer internet space (though  
21 definitely not the geo space). How would you feel about removing  
22 this line to make us more comfortable? Bret"

23 101. Fatdoor, Inc. rejected this last minute update by Defendant Taylor, and Plaintiff  
24 was terminated from Fatdoor, Inc. approximately two weeks later. Defendants Taylor and Norris  
25 independently created the consumer internet venture FriendFeed.com after leaving Defendant  
26 Benchmark as EIRs. FriendFeed was later purchased by Facebook, Inc. on or about August 2009.  
27 However Defendant Taylor's representation to Plaintiff on or about August 2, 2007 that he did  
28 not have an intention to enter the geo space was not truthful, as Defendants Taylor and Norris did  
shortly enter the "geo space" with their involvement in the formation and later pivoting of Round  
Two, Inc., from a website about college and professional sports called Fanbase.com, to an entirely

unrelated website about neighborhood social networking called Nextdoor.com.

102. The Fatdoor, Inc. Board of Directors retained Jon R. Love ("Love") to find a replacement CEO for Fatdoor, Inc. based on a reference from Defendant Benchmark. Defendant Benchmark had gained notoriety for finding CEOs to replace founders in the past. It had found eBay, Inc.'s former CEO Meg Whitman to lead the company in its early years, and had also found a replacement for an Eric Greenberg, who was the CEO of Defendant Benchmark's portfolio company Scient. In a chapter titled "Don't Get Screwed" in the book eBoys, Mr. Greenberg is quoted as saying:

"Think about this: It's your idea, you write the business plan, you don't sleep for months, you talk all these people into joining you. There was nobody with me when I got funded, I arranged all the funding myself, sold the initial deals, got the initial employees-it was my idea, my tenacity - and all of a sudden, you get fired and they take your fucking stock away....It was like losing your kid." (eBoys, page 64).

103. The Plaintiff feels somewhat similarly to Mr. Greenberg in the quote above from the eBoys book. Defendant Benchmark's subsequent efforts to reform Mr. Greenberg are solidified in the laughter that they collectively shared with Benchmark partner Dunlevie commenting that "we always do the second one," and the comment of another Benchmark partner Rachleff commenting: "That's our value add" (eBoys, page 71) when referencing why Defendant Benchmark chose to invest on a follow up idea Scient (analogous to Round Two, Inc. with an entirely new team) rather than Mr. Greenberg's initial one (analogous to Fatdoor, Inc. started by Plaintiff). When contacted, eBoy's author, Mr. Stross, refused to comment on his book and refused to participate in this litigation. Plaintiff intends to depose and/or subpoena Mr. Stross during this litigation with respect to his observations described in eBoys.

104. Defendant Benchmark has a pattern and practice of replacing founders at companies that they wish to invest in, and has an excellent track record of doing so. As such, the Board of Directors of Fatdoor, Inc. took the recommendation of Jon R. Love seriously. Particularly, one Benchmark partner named David Berne was recruited as a partner specifically